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**THE INFLUENCE OF JOB SATISFACTION & ETHICAL
WORK CLIMATE ON EMPLOYEE MISCONDUCT:
A STUDY AMONG PUBLIC SERVICE EMPLOYEES IN
PENANG**

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**MASTER OF HUMAN RESOURCE MANAGEMENT
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CLIMATE ON EMPLOYEE MISCONDUCT:
A STUDY AMONG PUBLIC SERVICE EMPLOYEES IN PENANG**

By

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Thesis submitted to
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ABSTRACT

There are several significant variables which leads to employee misconduct in workplace: consist of job satisfaction and ethical work climate factor. This research paper will examine mentioned significant variables that directly influencing employee misconduct and followed by a brief introduction of these sets of variables. The dependent variable of this study is employee misconduct. The independent variables of this study are job satisfaction and ethical work climate. Social Exchange Theory (SET) was utilized to explain the possible relationship between the variables to support the research framework. A total of 200 employees in public service agency in Penang was participated in this study. The data respectively collected by self-administered questionnaires and SPSS was used to analyse the data collected. the independent variables; Job satisfaction and Ethical Work Climate are significantly correlated to the dependent variable which is Employee Misconduct. Both values indicated that they are medially correlated to Employee Misconduct and the correlation for each variable is significant. Then, ethical work climate is strongly correlated with the job satisfaction. Finally, the implication for practical, theoretical and some recommendation for future study had been discussed.

Keywords: Employee misconduct, job satisfaction, ethical work climate, Public service

ABSTRAK

Isu salah laku pekerja di sektor awam hebat di perbincangkan sejak kebelakangan ini yang dikatakan berpunca daripada beberapa faktor dan pengaruh luar mahupun dalaman. Antara pengaruh agak ketara yang di perbincangkan ialah faktor atau pengaruh kepuasan pekerja dan suasana etika kerja. Oleh itu, kajian ini dilaksanakan untuk mengenalpasti pemboleh ubah- pemboleh ubah yang mempengaruhi pekerja untuk terlibat dalam kesalahan salah laku pekerja dan diikuti dengan pengenalan menyeluruh keatas pemboleh ubah-pemboleh ubah tersebut. Teori pertukaran sosial (SET) telah di gunakan untuk menerangkan kemungkinan hubungan antara pemoleh ubah untuk menerangkan dan menyokong rangka penyelidikan. Seramai 200 pekerja awam daripada agensi kerajaan telah mengambil bahagian dalam kajian ini. Data telah dikumpulkan melalui kaedah soal selidik yang diselenggara sendiri dan perisian SPSS digunakan untuk menganalisis data dan menguji hipotesis. Kajian menunjukkan kedua-dua pemboleh ubah bebas iaitu, kepuasan kerja dan suasana etika kerja mempunyai hubungan langsung dalam mempengaruhi pekerja untuk melakukan salah laku ditempat kerja. Selain itu, pemboleh ubah suasana etikan kerja dan kepuasan kerja menunjukkan hubungan yang rapat antara satu sama lain. Akhirnya, implikasi terhadap pengurusan, individu dan akedemik serta beberapa cadangan untuk kajian akan datang juga telah dibincangkan.

Kata kunci: salah laku pekerja, kepuasan pekerja, suasana etika kerja,

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LIST OF ABBREVIATION

EWK	ETHICAL WORK CLIMATE
SET	SOCIAL EXCHANGE THEORY
CST	COGNITIVE SOCIAL THEORY
MAMPU	MODERNISATION AND MANAGEMENT PLANNING UNIT OF MALAYSIA
JPA	PUBLIC SERVICE DEPARTMENT MALAYSIA
INTAN	MALAYSIAN INSTITUTE OF PUBLIC ADMINISTRATION
SPSS	STATISTICAL PACKAGE FOR SOCIAL SCIENCE
UUM	UNIVERSITY UTARA MALAYSIA
GFI	GOODNESS OF FIT INDEX
AGFI	ADJUSTED GOODNESS OF FIT INDEX
NFI	NORMED FIT INDEX
CFI	COMPARATIVE FIT INDEX
RMSEA	ROOT SQUARE MEAN OF APPROXIMATION
MSQ	MINNESOTA SATISFACTION QUESTIONNAIRE

CHAPTER 1

INTRODUCTION

1.1 Introduction

In this chapter, preliminary information regarding the background of the study, problem statement, research objectives, research questions, and significance of the study, the scope of the study, the definition of key terms and organisation of the dissertations of this study will be provided.

1.2 Background of the Study

Employee behaviour is a crucial element in an organisation. Employee behaviour is an important aspect of an organisation that could impact performance, survival and well-being of the organisation (Mohammad, Habib, & Alias, 2011). Employee behaviour in an organisation varies to positive and negative behaviour. Positive behaviours such as organisation citizenship behaviour could promote the effective processes of the organisation (Organ, 1997). On the other hand, negative employee behaviour such as misconduct and deviant behaviour could relatively deteriorate the well-being of the organisation. Hence, the enactment of positive behaviours such as organisation citizenship

behaviour (OCB) is an energizing and activating process in which employees exert their efforts, time and energy to promote the effectiveness of the organisation (Borman & Motowidlo, 1997).

Employee behaviour in an organisation determines the well-being of the organisation to maximize employee productivity. Employee's behaviour either positive or negative behaviour has significant implications towards an organisation that could possibly determine the success and failure of the organisation. Hence, employee behaviour plays an important role in the organisation to sustain excellence, at the individual, group or organisational levels. The positive ethical behaviour will be considered as important assets to the organisation towards achieving their goals. Unethical behaviour in the organisation could be the parasite that may lead an organisation to face difficulties in implementing the policies.

Employee misconduct in an organisation had become serious concern especially in the government sector. Employee misconduct in any organisation will only manifest dysfunctional and threatening to the well-being of an organisation (Edralin, 2015). Employee misconduct in the public sector is regarded a controversial affair among the public. Public organisations are put under scrutiny and pressured to handle and control the issue of employee misconduct effectively. A public servant is responsible to provide public services to the public and the presence of unethical conduct affects the efficiency of services delivery by the government agencies (Alias & Mohd Rasdi, 2015).

Employee misconduct has been significantly one of the crucial problems in any organisation (Bennet & Robinson, 2003; Henle, 2005). Historically, research findings show that factors associated with employee misconduct had mainly focused on demographic variables such as gender, personality traits and psychological development (Werbel & Balkin, 2010). However, only few studies have been conducted involving the fundamental variables which encompass individual, organisation and opportunity factors that seen as a wide range of research. In addition, these variables are tied to each other in a certain situation when individual traits and personality are usually aligned with the organisation policies. Thus, organisation structure and policies will become a fundamental element that may create an opportunity to commit misconduct.

1.3 Problem Statement



Employee misconduct could contribute to various negative impacts on organisation development in achieving its mission and vision. Employee misconduct is a form of the unacceptable and negative element to the organisation that could be harmful to the organisation (Kidder, 2005). Various surveys conducted in the year 2017 with data collected in numerous countries including Europe, Middle East, India and Africa Fraud showed that unethical behaviour and high level of mistrust among colleagues are the main characteristics of today's workforce, especially among executives and the younger generation. Employee misconduct gives several implications towards the organisation

when it relatively implicating loses to the company, organisation ineffectiveness and hinder the ability of the organisation to achieve its target.

Nowadays, globalization, political instability and low growth in the organisations are placing pressure as they seek an alternative way to reach ambitious performance target. However, we need to look deeply on it whether the employee made the right ethical choices. Recently, the incidents of misconduct often occur among government organisation, MACC revealed that in the last five years, approximately of 4,693 reports of misconduct among civil servant had been reported (Utusan Malaysia, 2015). Moreover, Malaysian Anti-Corruption Agency also exposed cases involving public servant in misusing of petrol and diesel and the syndicate is found extended to neighbourhood countries. Hence, this unethical behaviour among public servant from the various agencies has reached a serious level in the country (Sinar Harian, 2014).

In addition, the report also indicated that he majority of the cases involving the purchase of goods at unacceptable cost, creating the perception of prevailing corruption and misconduct among civil servant (2019). Apart from the said cases, some civil servants seem not to make purchases carefully because lack of responsibility that leads to wasteful use of public funds (Utusan Malaysia, 2015). In addition, previous Chief Secretary to the Government, Tan Sri Dr Ali Hamsa also revealed that the Auditor General's Report gave five indications involving 46 civil servant officers and ahead for disciplinary proceedings were initiated (Harian Metro, 2015).

A recent survey in National Anti-corruption Plan (2019) reveals that the most government officers involved in corruption were among the lawmakers (41%), public servants (45%), local counsels (48%), tax collectors (48%), police officer's (57%), judges (33%) and religious leaders (31%). Meanwhile, based on the Global Financial Integrity Report (2017), Malaysia had lost approximately RM 1.8 trillion through unauthorized cash flow between the years 2005 to 2014. Moreover, MACC (2019) also reveals that almost 63.30% of corruption cases involve the public sector which is a serious concern of national interest. Given the seriousness of the issue on employee misconduct particularly among civil servants, it is considered critical to undertake the of employee misconduct.

Meanwhile, previous studies reveal factors which could influence employee misconduct. These variables encompasses organisation related factors such as organisation ethical climate (Alias & Rasdi, 2015; Andreoli & Leftkowitz, 2008); organisation support (Monnastes, 2010); organisation justice (Jones, 2009) greed, financial benefits, individual motivation (Emongkonchai.P, 2010); age and category of designation (Kamri, Basir, & Ramlan., 2017); organisation-sabotage, theft, work withdrawal and crimes against production and individual- personal conflict and abuse (Abdullah & Halim., 2016; Spector et al., 2006); individual factors, organisation factors and opportunity factor (Davis, Read, & Powell, 2015) ; individual related factors, organisational related factors and work related factors (Alias, Ismail, Rasdi, Samah, 2013).

The main purpose of this research was to measure the level of employee misconduct in the organisation based on two main variables that are job satisfaction and ethical work climate. Job satisfaction is a pleasurable or positive emotional state resulting from job evaluation and experience that could determine a significant relationship with overall satisfaction and job performance (Locke, 1976). Ethical work climate is another important variable that represents organisation norms that will guide organisation member on what to do and what not to (Victor & Cullen, 2008). Thus, the draconian policies will be detrimental to employee performance and productivity. Hence, this situation might put employees in distress situation of negative elements and these conditions will encourage them to act against the rule of law.

Based on the framework discussed above, this study specifically focuses on the mentioned variables, which are job satisfaction and ethical work climate that could possibly influence employee misconduct. The main purpose of this research was conducted with these variables to explain more on human behaviour and the organisational structure of public service. Therefore, these factors are relevant to examine the influence on employee misconduct because it can reveal what triggers an employee to be involved in doing misconduct in government organisations.

1.4 Research Questions

Based on the research gap, this study attempts to answer the following research questions:

- i. What is the level of employee misconduct among public service employee in Penang?
- ii. What is the association between job satisfaction and employee misconduct among public service employee in Penang?
- iii. What is the association between ethical work climate and employee misconduct among public service employee in Penang?

1.5 Research Objectives

Specifically, this study aims to achieve the following objectives:

- i. To determine the level of employee misconduct among public service employee in Penang.
- ii. To study the association between job satisfaction and employee misconduct among public service employee in Penang.
- iii. To study the association between ethical work climate and employee misconduct among public service employee in Penang.

1.6 Significant of the Study

This study attempts to make several contributions to the literature on employee misconduct. First, this study attempts to offer an integrated framework to explain employee misconduct by employing Social Exchange Theory (SET) and Cognitive Social Theory (CST) as the underlying theories. Both SET and CST set a framework to explain that individual factors, as well as environmental factors, need to be present to motivate individuals to behave unethically at work and engage in behaviors such as employee misconduct (Mitchell & Cropanzano, 2005).

Second, this research attempts to further enrich the understanding of employee misconduct by proposing important and relevant antecedents. The main intention of this research is to investigate the influence between job satisfaction and ethical work climate towards employee misconduct among public service employee in Penang. The main purpose of this study was to provide some insights on how these sets of independent variables influencing by motivating the action of employee misconduct in a government agency. By incorporating these independent variables, findings in this study would develop the existing knowledge in the area of employee misconduct. Further, this study also helps future researchers to understand the main reason behind employee unethical behaviour in any organisation. Although there are several studies were done in the private sector but only few researches were done on the government sector.

Finally, this research aims to benefit the Malaysian government particularly the government agencies and its employees involved in tax collection and administration. The government agencies will actively drive their current organisation policies to avoid employee misconduct and could improve effective service delivery to the public. Moreover, government agencies also could replicate the data in proposing effective programs and courses for existing employees to make them realize of their current wellbeing and also to promote 'New Malaysia' concept which emphasizes on the rule of law.

1.7 Scope of the Study

The purpose of this research was to determine the influence of job satisfaction and ethical work climate towards employee misconduct. The respondents were selected among civil servants working in a government department in Penang. So, quantitative research based on the numerical analysis data had been collected. Before that, Krejcie & Mohan (1970) methods been adopted in determined the sample size from the population frame. Then, a random sampling method had been conducted to collect the data (Sekaran & Bougie, 2013) to determine the number of questionnaires distributed. Permission from the human resource department and director been obtained to distribute the questionnaire. Furthermore, SPSS version 23.0 had been utilized to analyse the data to examine the potential influence and relationship of job satisfaction and the ethical climate on employee misconduct.

1.8 Definition of Key Terms

1.8.1 Jobs Satisfaction

Jobs satisfaction is defined as the individual attitudes towards his or her job which has an effect on individual behaviour in the working environment, his/her level of performance, motivation and work efficiencies (Kavoura et al, 2017).

1.8.2 Ethical Work Climate

Ethical work climate (EWC) defined as a collective employee perception on ethical events, ethical practices and ethical norms of an organisation which lead employees to reacts positively or negatively to fulfil a task (Arnaud, 2010).

1.8.3 Employee Misconduct

Employee misconduct is defined as the form of negative or unacceptable unethical behaviour by an employee that is detrimental and harmful to the organisation such as lack of cooperation, explicitly unethical behaviour such as fraud, theft and sabotage (Larkin & Pierce, 2015).

1.9 Organisation of the Thesis

In the first part of Chapter 1, this study will expose the general idea of this topic as a whole. Then, followed by the background of the study, problem statement, research questions, research objectives and significance of the study and scope of the study are presented in this chapter. Meanwhile, the discussion on past studies and the review of literature on the dependent variable (employee misconduct) and the independent variables (job satisfaction and ethical work climate) were presented in Chapter 2. In Chapter 3, the explanation of the methodology is applied and discussed which encompasses the theoretical framework, hypotheses development, measurements, and statistical tools to analyse the results are highlighted in this chapter. Then, in chapter 4, the analysis of the data and the findings of the study are discussed. Finally, Chapter 5 covers the discussions, implications, the recommendation for future study, limitations and conclusion at the end of the research.

1.10 Summary

In this chapter, an overview concerning the various aspects encompasses background of the study, problem statement, research questions, research objectives, the significance of the study, the scope of the study and organisation of the thesis had been presented. The discussions on the relevant literatures for the study are presented in chapter two.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

In this chapter, the discussion of the literature review will be studied. The variables that affect employee misconduct (dependent variable) among employees will be discussed in this chapter, encompasses individual factor (jobs satisfaction) and organisation factor (ethical work climate) as an independent variable.

2.2 Concept of Misconduct

Misconduct consists of several types of behaviours that are counterproductive towards organisation: an action which is absolutely illegal, actions that breach formal organisational norm, steps that are not violating the rule but against the spirit of rule and actions that are counterproductive (Larkin & Piere 2015). Moreover, according to the Ministry of manpower; Singapore Government (2017) misconduct is the failure to fulfil the conditions of employment in the contract of service, examples absenteeism, dishonesty or immoral conduct in the workplace. According to Robinson & Bennet (1995) misconduct which is also known deviance behaviour is a voluntary behaviour that breaks usual organisation

norms and threatens the well-being of the surrounding organisation or other employees as well. Hence, negative well-being, for instance, production deviance (damaging the quantity and quality of work), political deviance (spreading rumours and hate speech) and personal aggression (being aggressive and violent towards other employees).

According to Bennet and Robinson (2000) misconduct can be separated into two primary categories: organisational misconduct and interpersonal misconduct. Organisation misbehaviour refers to deviant behaviours directed toward the organisation, for instance including theft, absenteeism, and tardiness. Meanwhile, interpersonal misconduct refers to misbehaviour that focuses on abusing other employees, examples consist of gossiping, sexual harassment and stealing from co-workers (Liao, Joshi & Chuang 2004). Moreover, misconduct is defined as any behaviour that against and violating the organisation law and ethics standards (Ermongkonchai, 2010). Meanwhile, in terms of ethics management in organisation misconduct is an unacceptable behaviour or unethical behaviour by an employee that harmful to the organisation (Kidder, 2005).

In addition, there are several types of research had been done to identify various forms of misconduct in an organisation. Base on the organisation exit surveys, employees had classified misconduct as illegal corporate movement, opposite actions towards employee, illegal human resource activities such as racial or sexual harassment, unfair treatments towards employee who has been diagnosed with HIV/AIDS and opposing different kind of rewards/benefits based on favouritism (Giacalone, Knouse & Pollard, 1999). On the other

hand, surveys on 3,075 employees determine that other types of misconduct, for instance, carelessness with prohibited information, activities that cause conflicts of interest embezzlement and substance abuse among in the category (Kaptien & Avelino, 2005).

In Malaysia, a Public government body encompasses Administrative Modernisation and Management Planning Unit of Malaysia (MAMPU), Public Service Department Malaysia (JPA) and the Malaysian Institute of Public Administration (INTAN) had established its own code of conduct for the service is provided. Thus, MAMPU code of ethics highlighted several extended values such as responsible, dedicated, disciplined, work, cleanliness, open minded, honest, diligent, modest and patient (MAMPU, 2013). Meanwhile, INTAN working culture emphasized towards their customers, teamwork spirits, continuous improvement, being caring, punctuality and discipline at work (INTAN, 2013). In addition, the JPA code of ethics focus on great professionalism, work in a team, excellence, prudence, competence and seek to learn (JPA, 2013). This value shows the serious intentions of these bodies to provide effective service delivery to the people and engage for the betterment of the state.

Moreover, corruption and misconduct also exist in Islamic administrative institutions which involve Lembaga Tabung Haji. Two of its employees were jailed and fined RM 100,000 for “fast-tracking” pilgrims by hacking the pilgrimage fund’s database. Thus, the Kuala Lumpur Sessions Court judge had convicted personnel for bribery who had received RM 6,750 to allow 27 pilgrims to skip the queue on 2010 Haj list. Other than that, the judge

also found that employee from research and development division and system analyst guilty of three counts of using a special computer application to access Tabung Haji databases to add pilgrim's names into the system (The Star, 2014). This misconduct is an alarming situation when public servants involved in unethical conduct which has been given trust to manage the public affairs.

On the other hand, the Malaysian government had imposed several measures to polish existing policies on employee code of conduct and strengthens service delivery to the public by enhancing the capacity of district administration in the public sector. Thus, the government agencies proposed several programs and activities to ensure public servant realize of their crucial role towards the public by inculcating good values, for instance, honesty, integrity, transparency, accountability and efficiency (Ahmad Sarji, 1996). However, employee misconduct among public servant has been a heated discussion among public and netizens especially cases involving bribery, poor work attitude, lack of transparency and corruptions as well (Abdul Rahman & Aizat, 2008; Abdul Rahman, 2008 & Awanis, 2008). Hence, to overcome these issues exist in the Malaysian public service organisations, this research will bright up several indications to implement serious measures by replications of the data from this research.

2.3 Underpinning Theory

This study utilizes the Social Exchange Theory (SET) as the main theory to explain the framework. Meanwhile, SET is considered as one of the most influential conceptual models for understanding workplace behaviour (Mitchell & Cropanzano, 2005). SET is postulated to have the ability to explain the complex phenomenon of employee misconduct in an organisation. SET describes the reciprocity that occurs between the context and the individual (Jacobson, 2009). The theory suggested that individuals in the organisations will react positively or negatively towards the conditions set by the organisation (Crede, Chernyshenko, Stark, Dalal & Bashur, 2007). Moreover, this theory aligns to this study when unfavourable and unsupportive work climate which significantly could influence employee misconduct in an organisation (Colbert, Mount, Harter, Witt & Barrick, 2004).

In terms to study individual factor which focuses on jobs satisfaction than influences employee misconduct, SET will be the adequate theory to align with. Therefore, SET also hypothesized that individuals who are experiencing unfair treatments from their organisation, for instance, feeling unsatisfied, experiencing aggression and unhappiness in their workplace are more like to involve in misconduct (Mount et al., 2004). Meanwhile, previous researchers (Glomb & Liaou, 2003; Mitchell & Ambrose, 2007; Harris, Kacmar & Zivanuska, 2007) also adopted this theory to explain the phenomena of employee misconduct. Thus, SET is able to explain workplace unethical behaviour including employee misconduct.

Furthermore, Cognitive Social Theory (CST) determines the need to regard the interaction between individual and organisation related factors (Henle, 2005) in explaining various individual behaviours. CST could determine how an individual could react towards the surrounding situations in an organisation. Hence, the interaction will represent the situation in the organisation and the individual reaction will be influenced by the person's interpretation of the situation. According to Judge and Kristof Brown (2004), individual differences could no longer an avoidance factor in determining employee misconduct as it is closely related to organisational work ethical climate. So, this theory also provides clarification of the phenomena of employee misconduct by positioning that individual (job satisfaction) and organisational (ethical work climate) variables influence employee misconduct.



2.4 Employee Misconduct

2.4.1 Definition and Conceptualization of Employee Misconduct

Nevertheless, a study by Werbel and Balkin (2010) found that employee misconduct or misbehaviour have been used to described unethical behaviour in organisations that includes severe behaviour such as aggression, violent, bullying, assault and harassment. Even, Kidder (2005) define employee misconduct as another category of research of unethical behaviour in an organisation that closely related to corporate that often appears as headlines in media. According to, Ahmad and Mariati (2008) employee misconduct

defined as a form of dishonesty that causes losses to the organisation and causes social discomfort by diminishing trust in government and corporate institutions.

These findings are supported by the findings of Buckley et al (2001) whereby, employee misconduct relates to the perceptions of how people will react in fulfilling professional standards for doing business. This can involve committing corruption in order to reveal the methods or formula of a product to the outsiders that lead to the revolutionary reverse engineering of the product. In this matter, employees are willing to betray the company policies and norms in order to have personal satisfaction rather than organisation benefits. However, the organisation itself motivates employees to over productive that lead to the pay for performance context which is lead to the deviance. According to Alias and Rasdi (2015) employee misconduct covers a various range of unethical behaviour that categorized in minor to major misconduct.

In addition, employee misconduct has a broad range of levels of impact in an organisation, ranging from small scales of dishonesty to corruption and fraud for personal gain. Moreover, the small scale of unethical behaviours that implies a small level of impact on the organisation and colleagues. In this level, the employee may simply divert from organisation norms or regulation, for instance subscribing social media during working hour or use of company telephone for personal call purposes (Ermongkonchai, 2010). On the other hand, high impact misconduct includes acts by the subordinate that may directly impact on organisation reputation, such as loss of important property or threats that lead

the management to impose stern actions to prevent from the worse situation (Ivancevich, 2007). Hence, the organisation has a huge responsibility to take disciplinary action and measures to prevent high impact employee misconduct that is harmful to other subordinate and the organisation.

While acknowledging the significance of previous as core factors that influencing workplace misconduct, this research also will reveal appropriate measures to minimize and divert the unethical behaviour. Accordingly, the primary contribution of this research was to have detailed studies of primary variables. Moreover, this research will give exposure to decrease the negative impact on government agencies as a whole. Other than that, Vardi and Weits (2004) had proposed two major types of elements that cause misconduct in the workplace. Firstly, individual factor (dissatisfaction, personality and moral development) and organisation factor (goals, climate and authority). This studies also with the findings that individual behaviour is closely influenced by the organisation norm and practices (Vardi, 2001).

In measuring employee misconduct of an individual in organisations, previous researches used various methods including using the seven-item Antisocial Behaviour which studied property damage by department employees that belong to the organisation. Moreover, department employees who deliberately break rules also being studied in this measurement (Robinson & O'Leary-Kelly, 1998). Hence, the study using a sample of 1,525 employees and their supervisors from 300 units in various organisations in which supported the

hypothesis on linking ethical leadership to employee misconduct. Thus, the study also could examine the connection between ethical leadership and ethical climate (Mayer et al, 2010).

2.4.2 Determinants of Employee Misconduct

In the study of employee misconduct, researchers examine situational and personality variables had been determinant factors towards employee misconduct (Awanis, 2006; Colbert, Mount, Harter, Witt & Barrick, 2004; Henle, 2005). Moreover, western researchers also found that interactions between individual related variables and situational related variables have been main contributing factors towards employee misconduct (Spector, Fox, Penny, Bruursema, Goh & Kessler, 2006; Spector & Fox, 2005; Andreoli & Leftkowitz, 2009; Diefendorff & Mehta, 2007). In this study, jobs satisfaction and Ethical work climate were chosen as determinants of employee misconduct.

Table 2.1

Summary of literatures on employee misconduct.

Author / Years	Country	Variables	Sample	Findings
Ermongkonchai (2010)	Thailand	Dependent Variable Employee unethical conduct Independent Variable Company work rule & code of ethics.	Qualitative studies Interviews among 8 human resource managers.	The root cause of employee misconduct was with personal or financial gain. All cases involved cash related misconduct resulting in employee misconduct.
Mayer, Kuenzi & Greenbaum (2010)	United States of America	Dependent Variable Employee Misconduct Independent Variable Ethical leadership & ethical climate	Sample of 1,525 employees and their supervisors in 300 units from different organisation	The finding suggests that managers play an important role in creating a conducive ethical climate and ultimately reduce the level of employee misconduct among their employees.
Huiras, Uggen, & McMorris (2000)	United States of America	Dependent Variable Workplace Misconduct Independent Variables Career jobs, Survival jobs & Employee Deviance	Sample of 1000 employees and high school students.	Main findings show that social investment in the form of career stakes reduces employee deviance in a model that consists of strict control for prior deviance.
Nasir & Bashir (2012)	Pakistan	Dependent Variable	Data collection had been done by	The findings show that there were several factors that

		Workplace deviant	interviewing and through questionnaires to 100 employees from different government officials in Pakistan	cause employee deviant behaviour. Namely, lower job satisfaction, financial pressures, organisation injustice, organisation environment, and employee perceptions. For that, more effective strategies, good engagement and effective organisation climates.
		Independent Variable Organisation injustice and jobs satisfaction		
Tuna, Ghazzawi, Yesiltas, Tuna & Arslan (2016)	Turkey	Dependent Variable Deviant workplace behaviour Independent Variables Perceived external Prestige and Jobs satisfaction	The sample was retrieved from 401 employees of a five-star hotel located in Turkish cities.	The finding shows that there was a negative correlation between jobs satisfaction and organisational deviant work behaviour. Thus, employee satisfaction leads to workplace harmony and bring closer to their organisation.

Based on Table 2.1 above, the general trend synthesizes employee misconduct as a dependent variable and the independent variables prevalent on individual factors (jobs satisfaction, deviance, and ethical leadership). Moreover, organisation factors (perceived external prestige, organisation injustice, ethical climate, job rule and survival job) had been as predictors towards employee misconduct studies. Hence, the current trend shows that

most studies focused on individual and organisational factors that potentially closely related to employee misconduct in the organisation.

2.5 Jobs Satisfaction

2.5.1 Definition and Conceptualization of Jobs Satisfaction

Jobs satisfaction is widely known as a contributing factor to the physical and mental well-being of an employee. Therefore, jobs satisfaction has a significant impact on employee behaviours especially work-related behaviours such as absenteeism, productivity, turnover rates and employee relations (Becker, 2004). According to Locke (1984), jobs satisfaction refers to the pleasure of a positive emotional state which results from the positive appraisal of one's jobs experience. Moreover, this definition consists of two elements that are cognitive (an appraisal of one's job) and affective (emotional state) elements that trigger to a level which individual feel positive or negative of their jobs. Hence, jobs satisfaction is a positive enjoyable from one job and the job experience (Locke, 1976) and individual tend to show positive attitude developments when they were satisfied with their jobs (Jain, et al 2007).

Meanwhile, jobs satisfaction also can be evaluated through the present condition of organisation surrounding, the job objective that has to achieve and the priority of values

that given important to achieve. According to Porter & Lawler (1970), had divided the work-related variables as a subjective form and the external variables as factors that not directly related to the work itself. Moreover, personality traits and the environment itself plays an important role in influencing jobs satisfaction in an organisation (Pool, 2000). Hence, based on the Hatch, (2004) findings show that the worker himself and organisational characteristic are also closely related and play a crucial role that appears to be factors that affecting jobs satisfaction.

In addition, Jehad Mohammad et al. (2011) had indicated that main sources of job satisfaction fall under two categories. First, Intrinsic sources which refer that originated within individual and had an intense psychological values mainly self-administered. On the other hand, extrinsic sources of job satisfaction fundamentally from outside the individual which based on the situation or environment of the employee. For instance, job security and insufficient benefits will determine the frequency of extrinsic satisfaction. So, these elements contribute to the level of job satisfaction that could lead to unethical conduct in the workplace.

Jobs satisfaction also is one of the most variable things to be studied especially in the field of organisation behaviour (Spector, 1997). Hence, jobs satisfaction might be the most contributing variables in this study which could determine the behaviour of an employee in the organisation and that dissatisfaction will lead the employee to involve in unethical conduct.

2.5.2 Previous Study on Jobs Satisfaction

Table 2.2

Summary of previous studies on job satisfaction

Author/Year	Country	Variables	Sample	Findings
Vittel & Davis (1990)	United States of America	Dependent variable Ethics and jobs satisfaction Independent variables Satisfaction with pay, promotions, co-workers, supervisors and co-workers itself	About 114 questionnaires had been emailed to management information system range from various levels from programmer and information system manager	MIS professionals were less satisfied with their current position as they encountered unethical behaviour which common within their organisation. Thus, various steps should be taken to minimize employee misconduct by improving jobs satisfaction and create a positive ethical climate in the organisation.
Mohammad, Habib, & Alias (2011)	Malaysia	Dependent variables Organisational citizenship behaviour Independent variables Intrinsic job satisfaction & extrinsic job satisfaction	In this research, 100 questionnaires had been distributed among non-academic staff of UKM	This research indicates that both intrinsic and extrinsic jobs satisfaction are important in determining organisational citizenship behaviour. Hence, both variables should give more priority to ensure employees to be more spontaneous and willing to achieve organisation goals.
Abumandil (2012)	Malaysia	Dependent Variable Organisation culture	The sample consist of 203 lecturers	The finding shows that the staffs indicate that the organisation culture positively related to jobs

		Independent variables Jobs satisfaction & performance	according to various faculty in Al-Azhar University	satisfaction. Thus, the other dimensions such as supportiveness, rewards, innovation, performance and stability positively related to jobs satisfaction.
Moehanah (2015)	Malaysia	Dependent variable Turnover intention Independent variables Job stress, Quality of work life & jobs satisfaction.	A total of 155 respondents involve among executive level employees from Intel Technology SDN BHD	The finding indicates that jobs stress had a significant relationship with turnover. However, job satisfaction has a negative relationship on turnover intention but the most influential factor turnover intention among executive-level employees.
Deshpande & Fu (2013)	China	Dependent variable Job Performance Independent variable Jobs satisfaction, caring climate & organisation commitment	A total of 476 respondent received from employees working in a large insurance company in China	The Structural equation model had been used to examine the variables. The results show that a caring climate had a significant direct impact on jobs satisfaction, organisation command and job performance. Moreover, jobs satisfaction also has a direct impact on organisation commitment.

Based on previous studies on Table 2.2 above, the studies on job satisfaction, in general, was mostly studied as the independent variable. It is had become a trend when job satisfaction had been a predictor in determining influence or association among dependent variables that consist of organisational and individual factors (job performance, turnover

intention, organisation culture, ethics and citizenship behaviour). Thus, job satisfaction is determining the influence and association in changes of an individual and organisation in both positive and negative changes.

2.5.3 Relationship between Jobs Satisfaction and Employee Misconduct

Jobs satisfaction is most prominently link connected with employee misconduct (Hawkins 1984; Mangione and Quinn, 1975; Murphy, 1993; Sieh, 1987). As job satisfaction may reduce employee misconduct, dissatisfactions capable of exacerbating employee misconduct in the workplace. Thus, employee's dissatisfaction and perceptions of being injustice significantly may motivate employee misconduct or disruption towards rules and regulation (Greenberg & Scott, 1996). On the other hand, both satisfaction and dissatisfaction also most likely to affect employee misconduct (Huiras, Uggen & McMorris, 2000). This statement was supported in classic theoretical findings by Kemper (1996) indicating that employee becomes dissatisfied when the workload increases and employer who failed to recognize worker's contribution will lead employees to be involved in unethical behaviour in an organisation.

Job satisfaction and employee misconduct is very much connected to each other in an organisation. According to, Nasir & Bashir (2012) theft which is one of the forms of employee misconduct at workplace caused by job dissatisfaction and lower job satisfaction. Hence, compared with the satisfied employee, the unsatisfied employee tends to involve in

unethical behaviour in the workplace. Therefore, an employee with lower job satisfaction will promote workplace unethical conduct (Martin & Hine, 2005). So, jobs satisfaction relatively linked to employee misconduct when employees react towards injustice regulation, norms or benefit being violated and this accelerates acts that against their employees.

2.6 Ethical Work Climate

2.6.1 Definition and Conceptualization of EWC

There are several types of climates exist within the organisation framework such as climate for safety complies, community service, and innovation that had been studied. According to Victor and Cullen (1988), ethical work climate refers to behaviours that are perceived ethically appropriate and how an issue could deviate away from those expected behaviours are handled in the organisation. There are two general approaches for assessing ethics within an organisation, first cognitive approach and shared-perception approach (Webber, 2007). Thus, the cognitive approach is solely depending on the individual perception of the work environment; meanwhile, the shared-perception approach used exact data such as organisation structure, benefits and performance evaluation to make an assessment of the work environment (Moore & Moore, 2014).

Meanwhile, another classical suggestion prevails that organisational ethical climate is the reflection that employees perceive from policies, procedures, and rewards system that could probably determine their behaviour in an organisation (Schneider & Rentsch, 1988). According to Victor and Cullen (1988) indicates that ethical work climate will lead organisation members to perceived prescriptions, proscriptions and permissions regarding the obligation of morale in an organisation. Hence, ethical work climate was heavily arguable when organisation rhetoric is incompatible with organisation reality.

In addition, an ethical work climate is best understood as a group of prescriptive climates reflecting the organisation procedures, policies and practices with moral consequences. These situations happen when employees believe that certain forms of ethical climate demanding standards or terms for decision making within the organisation itself. So, the ethical climate could influence decision making and certain behaviour in response to ethical dilemmas. Thus, an ethical work climate also determines the moral criteria in which members used to understand and resolve the issues arise (Cullen et. al. 2003). In this process, organisational values and policies are translated into actions, which will directly reflect the outcome of an organisation.

According to Mitongha-Mongha (2018), the literature indicates that the key aspects of EWC include the followings:

- a) **Caring** – refers to the perception that decisions are and should be based on an overarching concern for the well-being of others.
- b) **Law and codes** – refers to the perception that the organisation supports principled decision making based on external codes, such laws and code of conduct.
- c) **Rules** – refer to the extent to which decisions are perceived to be guided by a strong set of local rules or standards, such as the code of conduct.
- d) **Independence** – refers to the extent to which individuals believe that they should act according to their personal moral convictions to make ethical decisions.
- e) **Instrumental** – refers to an individual who looks out for their own self-interest who take account external situation.



2.6.2 Previous Study on ethical work climate

Table 2.3

Summary of previous studies on EWC.

Author/ Year	Country	Variables	Sample	Findings
VanSandt & Shepard (2001)	United States of America	Dependent variables Moral awareness Independent variable Ethical Work Climate	A total of 197 surveys collected from seven sites of the organisation	The findings provide concrete evidence that ethical work climate was a primary predictor of individual moral awareness, and that social influence often overrides the effects of individual differences in a workgroup setting.
Arnaud (2010)	United States of America	Dependent variable Moral sensitivity, moral judgement & moral motivation Independent variable Ethical Work Climate	The sample included 652 employees from 113 different departments from 101 different organisation	The results show that the ethical climate index was a reliable instrument and support the convergent and discriminant validity of each. Moreover, the results also indicate that predictive validity of the ECI with respect to ethical and unethical behaviour.
Peterson (2002)	United States of America	Dependent variable Deviant workplace behaviour Independent variable Organisation ethical climate	A total of 184 complete questionnaires received	The research indicates that organisation ethical climate relatively related to employee deviant behaviour. The results of the present study have both theoretical relevance and practical implications with respect to workplace deviance.

Mitonga-Monga (2018)	South Africa	Dependent Variable Work engagement Independent variable Ethical work climate & ethical leadership behaviour	A sample of 839 employees in a railway organisation of Democratic Republic of Congo	The finding shows that ethical work climate and ethical leadership behaviour positively and significantly could determine the level of employee work engagement.
Lau.P.Y. Y et all (2016)	Malaysia	Dependent variable Organisation politics Independent variable Ethical work climate, employee commitment, & customer service performance	A total of 200 surveys was collected from a respondent in six different shopping malls	The findings show that the ethical work climate had a direct impact on employee perception of organisation politics, effective commitment and proactive customer service performance.

According to Table 2.3, ethical work climate appears to be an independent variable in the general trend of studies. Moreover, ethical work climate had been a predictor towards individual (moral awareness, deviance and moral link variables) factors and organisational factors (organisation politics, work engagement and work climate) as a dependent variable. Thus, an ethical work climate is determining the influence and relationship towards the organisation and individual variables as the dependent variable.

2.6.3 Relationship between EWC and Employee Misconduct

Next, empirical findings show that Ethical work climate significantly related to employee misconduct in an organisation. The individual in an organisation may react and influence with the situation or environment condition that will influence their action towards other employee and towards the organisation itself. Thus, employee reaction not necessarily negative impact but also could generate positive outcomes if the situation gives credits or appreciations to its subordinates. Thus, the ethical climates provide a better understanding when the departments or top management itself values and provide contentions on the proper types of behaviours that much appreciated, which helps individual to determine the appropriate ways to behave in diverse situations (Mayer, Kuenzi & Greenbaum, 2010). Therefore, ethical work climate provides employees with the group norms regarding proper behaviour in the organisation, departments and unit to promote ethical actions so that employees will be less likely to involve in unethical behaviour.

Moreover, extensive research has also examined the consequences of ethical work climate on specific ethical outcomes, such as deviant behaviour and employee misconduct. According to Trevino (1986), organisation and situational factors are able to influence the attitudes and behaviours of subordinates in an organisation. These organisation and situational factors have the capabilities of creating a positive or negative ethical work climate that determines employee behaviours (Moore & Moore, 2014). Human resource development professionals have a crucial role in promoting good ethics in an organisation

and become an important element to counter unethical behaviour. In addition, the ethical climate promotes an ethical culture that could possibly create a conducive working condition that shapes positive employees' behaviours in the organisation. If the situation is reversed (i.e. unethical practices) could negatively affect the ethical culture and negatively affect employees' behaviour. Unethical practices, as a consequence, could cause negative implications to the firm's revenue and affect employees' productivity. So, promoting ethical work values in an organisation contributes to minimizing negative behaviour among subordinates (Alias, Rasdi, Ismail and Samah, 2013).

2.7 Hypotheses of Study

Table 2.4

Hypotheses of Study

Hypotheses

Hypothesis 1

There is a relationship between jobs satisfaction and employee misconduct among public service employees in Penang.

Hypothesis 2

There is a relationship between EWC and employee misconduct among public service employees in Penang.

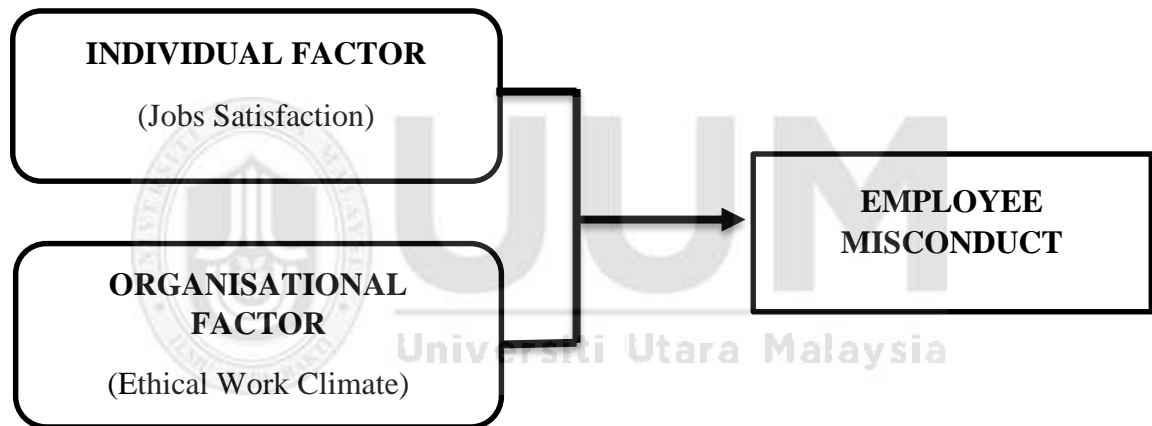
2.8 Research Framework

Figure 2.1

Research framework

Independent Variables (IV)

Dependent Variables (DV)



2.9 Summary

This chapter presents the reviews of the literature on employee misconduct and the factors influencing employee misconduct at the workplace. The discussion on factors influencing employee misconduct is approached using the multi-level perspective with the focus on relevant personal and contextual factors that could influence employee misconduct. In addition, the discussion of the underpinning theories, the SET and CST is also included in this chapter. In the next chapter, the framework for the study and discussion on research design are presented.



CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter elaborates on the research framework as well as discusses the hypotheses development for the study. This chapter also attempts to describe the research design and method used to achieve the objectives of the study. Specifically, this chapter explains the research approach, sampling design, questionnaire development, data collection, and methods of data analyses.

3.1 Research Design

Research design is vital in designing research, it is also known as a framework or blueprint which is a primary step required to accumulate information in order to solve the research question that had been raised (Broadhurst, Holt, & Doherty, 2012). In this study, a questionnaire was being distributed to collect the data required for this study. Moreover, the survey method was widely used and popular among researchers to collect descriptive data in quantitative research. Quantitative research consists of statistical, mathematical or numerical analysis data had been collected. Hence, this research was focused on gathering

essential numerical data and generalizing data among different groups of people by explaining certain situation and phenomena. In addition, quantitative research also being used to evaluate the research hypotheses and validate the relationships and influence of the variables involved in this study (Williams, 2007).

In this research, survey data were obtained from a questionnaire distributed before and the quantitative method had been used to analyse the accumulated data. Then, data were analysed by using the Statistical Package for Social Science (SPSS) software version 23.0. Pearson's correlation coefficient was also being used to study the relationship between variables. Furthermore, the influences of variables are tested by using multiple regression analysis.

3.2 Population and Sample

3.2.1 Sample size determination

Researchers are responsible for deciding the correct sample size to determine generalized results from the sample of the population (Krejcie & Morgan, 1970). According to Krejcie and Morgan (1970), the sample size is determined with the given table which stated that the sample size for a population of 312 employees in a public service agency in Penang is 200 employees. Hence, there are 200 sets of questionnaires distributed to various

departments in the office. This distribution of questionnaires was determined once the targeted group range from executives (Director, assistant directors and Executive officers) and non-executives (officers, general workers and contract workers) need to be addressed. Moreover, the targeted sample was determined after taking into account the obstacles of unusable responses and low response rate. Thus, the distribution of questionnaires and data collection was done appropriately and diligently without any forced element.

3.2.2 Sampling procedure

The simple random sampling procedure has been applied in this study. In the public service agency in Penang state, there were two levels of employees which are mentioned as non-executives and executive levels with different job grades. The respondents vary from grade 1 to grade 54, which includes job levels from contract workers level to Director of the department. According to Crossman (2018) lottery method of sampling has been conducted in this study when numbers were picked up randomly with each number corresponding to a number of samples. Next, we have to ensure the number was well mixed and the number picked up was $N=200$. Moreover, simple random sampling allows the researches to reach larger representation to all levels of employees to avoid researcher missed out any level of employees. Other than that, simple random sampling gives the opportunity an equal chance to all level of grade of employees. Hence, this procedure will maximize the precision of the population and avoid the bias of data (Garson, 2012).

Furthermore, in order to select the respondents among non-executives in public service agency simple random sampling has been used to collect data. Thus, simple random sampling techniques is the most appropriate way because it is impartial in choosing the sample from quite a big number of populations. Moreover, the finding could be easily generalized with minimum errors and could be done by simple methods. In this study, there total of over 312 employees in a public service agency. So, simple random sampling is the proposed technique to determine the amount of sampling.

In this study, there were a total of 200 questionnaires had been distributed to various departments in public service agency and 186 questionnaires were returned. Meanwhile, there were only 171 questionnaires used for the data analysis. Next, the sampling procedures begin with simple random sampling for the employees from executives and non-executives. The majority sample was from a non-executive group of employees in which simple random sampling was most preferred to choose a sample from a large population.

3.2.3 Unit of analysis

The unit of analysis in this study is individual level from different grades in public service agency. This study focused on the employee misconduct that could occur and that involves among subordinates in the organisation. Hence, the data collection procedure had been conducted from each individual in the organisation. Tax collector personnel referred to

employees who are responsible to collect taxes from individual, companies and non-profitable organisation and to accommodate government funds to develop basic accommodations in the country. Other than that, the funds also will be used for various agencies to provide services to the public and to direct funds to fulfil various policies that being implement. These funds must be handled carefully by the personnel to avoid any wrongdoing with the funds. Thus, high integrity was fundamental values in order to distribute accommodation to the nation and o provide adequate facilities to the people as a whole.

3.3 Data Collection Procedure

Other than that, the data collection procedure needs approvals from related departments in order to follow the accurate data collection procedure. Thus, before distributing the questionnaire, an approval and permission letter were obtained from University Utara Malaysia (UUM). So, a permission letter was signed by the human resource officer and the director of the public service agency. Moreover, a copy of the questionnaire also distributed to the Director so that he could personally go through the items and get the green light before distributing the questionnaires to other employees. Then, once the permissions were granted to distribute questionnaires in the agency, all the content was verified by my supervisor to avoid any content that could harm the organisation image.

All the questionnaires were distributed by researcher itself which took about two weeks to collect returned questionnaires. Moreover, almost about 2 weeks has been spent on the data collection procedure. Within a period of time, the researcher keeps on contacts with each unit as a reminder in the department to ensure all the documents been collected in a proper manner. Meanwhile, 200 sets of questionnaires were distributed but only 186 sets were returned. Lastly, the researcher ensures all the information collected is strictly declared as private and confidential and it is only to use for the requirement in completion of a master's thesis.

3.4 Research Instruments

According to Zohrabi (2013), questionnaire is one of the best method instruments that utilized by researchers to collect data from respondents. Moreover, the items in the questionnaire should be simple and easier to understand regardless of any kind of respondents so that they could answer without any confusion (Brancato et al., 2004). Furthermore, all the items were created as a closed-ended question to prevent misunderstanding when the respondent answers the items. These closed-ended questionnaires are more demanding as they are easily apprehended and able to answer immediately compared to open-ended questionnaires.

Table 3.1*Measures of the study*

Variables	Number of items	Items	Reported Reliability
Section A: Demographic background	7	Gender, age, marital status, race, religion, length of employment and job grade in organisation	
Section B: Employee misconduct	9	Robinson & O’Leary-Kelly (1998) – Individual anti-social behaviour scale.	0.878
Job satisfaction	7	Bhuiyan & Mergue (2002) - Minnesota Satisfaction Questionnaire (MSQ)	0.767
Ethical work climate	8	Babin et al., (2000)- goodness of fit index (GFI), adjusted goodness of fit index (AGFI), normed fit index (NFI), comparative fit index (CFI), and root square mean of approximation (RMSEA).	0.897

In Table 3.2 above, the questionnaire comprised of 31 questions that divide into two sections in which included section A and section B. Section A consisted of the demographic background of the respondents that insist of gender, age, marital status, race, religion, length of employment and job grade in the organisation. Meanwhile, section B comprised items of dependent variables and independent variables. Firstly, nine items regarding employee misconduct, seven items on job satisfaction and followed by eight items that interpreted an ethical work climate. In addition, a cover page had been attached that gave an overview and permissions of research to the respondents which consist of the title, purpose of research and the name of the researcher as well.

3.5 Measurement of Variables

Measurement of variables is an important element that determines the validity and reliability of research. Thus, it is also influencing the efficiency and accuracy of the findings on the research. Hence, research with scale measurements enables the researches to acquire to classify the variables with particular categories and numbers.

3.5.1 Employee Misconduct

The dependent variable in this study was employee misconduct which refers to a situation when employee behaves or acts against organisation terms and condition. The dependent variable was measured using the individual antisocial behaviour scale by Robinson and O'Leary-Kelly (1998). Respondent was requested to answer using a one-to-five scale from 'strongly agree' to 'strongly disagree' to indicate the extent which employees had engaged with each behaviour that could represent employee misconduct. Table 3.3 below shows the scale composed of the following items of employee misconduct.

Table 3.2

List of items of Employee Misconduct

Employee Misconduct
1. Employee damaged property or assets of my employer
2. Purposely said or did something to hurt someone at the workplace.
3. Did work badly.
4. Purposely did work incorrectly and slowly in the workplace.
5. Employee always griped with a co-worker.
6. Employee deliberately bent or broke the law.
7. Employee criticized people at work.
8. Employee started an argument with someone at the workplace.
9. Employee said rude things about my supervisor or organisation.

Source: Robinson & O’Leary-Kelly (1998)

3.5.2 Ethical work climate

Ethical work climate is one of the important elements that influence employee’s perception of the situation in an organisation that could represent unhealthy representation of behaviour (Wimbush & Shepard, 1994). The independent variable of EWC was measured on a scale ranging from 1 (strongly disagree) to 5 (strongly agree). Ethical Work Climate is measured using four scales developed by Babin et al. (2000). The four dimensions

measured responsibility/trust, peer behaviour, ethical norms, and selling practices. Table 3.4 below shows the item for EWC.

Table 3.3

List of the items of EWC

Ethical Work Climate	
1.	Employees always get treated justly in the organisation.
2.	Employees in this organisation had involved in unethical acts.
3.	Employees who involve in unethical acts for personal gain are punished.
4.	Employee is encouraged mostly to ‘up-sell’ the customers.
5.	Within six months of period, intended to search for another job.
6.	I would be happy if I spend the rest of my life career in this organisation.
7.	I believe that my manager has high integrity.
8.	When someone criticizes my organisation, it feels like personal insults.

Source: Babin et al (2000)

3.5.3 Job Satisfaction

According to Ivancevich and Matteson (2002), job satisfaction is referred to as an individual absolute feeling and perception towards the job that could consequently influence between the individual and the organisation. Hence, in this research the adaptation of 7-item scale from Minnesota Satisfaction Questionnaire (MSQ) (Bhuian &

Menguc, 2002) to explore both intrinsic and extrinsic aspects of job satisfaction among public service employee in Penang. The MSQ measures intrinsic jobs satisfaction which represents to how people experience about the nature of their daily job routine, whereas extrinsic jobs satisfaction refers to how people go through on the task outside of the work itself (Spector, 1997). Table 3.5 shows the list of items that recognize to best represent this particular study.

Table 3.4

List of the items of Job Satisfaction

Jobs Satisfaction
1. Overall, I'm satisfied with my members in my workplace.
2. Overall, I'm satisfied with my supervisor at the moment.
3. Overall, I am satisfied with my current job.
4. Overall, I am satisfied with my current organisation compared to other organisation.
5. Based on my skills and level of education, I am satisfied with my pay and benefits from this organisation.
6. Most of the employees in this organisation are satisfied with the job at the moment.
7. I had never thought to leave this organisation even though the situation in this organisation is unstable.

Source: Bhuian & Menguc (2002)

3.6 Translation of Questionnaires

The questions or items in this particular research were originally developed in the English language in order to accumulate accurate measurement tools based on previous research. Then, this questionnaire was translated into the Malay language by the translator and was corrected by the experts in the area of conducting research. Moreover, back translation technique is the most commonly used to check the accuracy of translation in survey research (Douglas & Craig, 2007). Thus, the translation was made to ensure all the employees understand well on the questionnaires distributed. Next, the translated questions were also submitted to management in order to get approval to collect the data from the employees in the departments. Thus, both the supervisor and the management of the department were satisfied with the questionnaires and the data collection was conducted in a proper manner. Finally, the English and Malay bilingual questionnaires were distributed to ensure the consistency of the data collection procedure.

3.7 Method of Statistical Data Analysis

The SPSS (Statistical Package for the Social Science) version 23.00 application was used to analyse the descriptive data from the respondents. Therefore, SPSS software had been utilized because it is the most popular statistical package that could perform highly complex data accumulation. The data from different categories can be collaborated to generate reports, charts and plots of distribution. Hence, in order to validate descriptive

statistic which mainly focused on frequency, percentage, mean, median and standard deviation, the research mainly preferred SPSS method. Other than that, to ensure the reliability of the research Pearson's correlation coefficient analysis was implemented to study the relationship between variables and also to analyse influence between variables by using Multiple Regression analysis (Kleinbaum, Kupper, Muller, 1988).

Table 3.5

The analysis conducted to examine the hypothesis.

Hypothesis	Analysis
Hypothesis 1 There is a relationship between jobs satisfaction and employee misconduct among public service employees in Penang.	Multiple Regression analysis
Hypothesis 1 There is a relationship between EWC and employee misconduct among public service employees in Penang.	Multiple Regression analysis

3.8 Summary

In a nutshell, this chapter explained the methodology being used in this study which encompassed of research design, population and sampling, questionnaire design, measurement of the research, validity of instruments, data collection procedure, statistical design and analysis.



CHAPTER 4

DATA ANALYSIS AND FINDINGS

4.0 Introduction

This chapter explains the results of data analysis based on the research methodology that had been discussed in Chapter 3. The first section explains the response rate and the analysis of the demographic information of the respondents of this study. The results of the descriptive statistics were also presented in this section. The second section discusses the correlation results of the variables in this study. The final section presents the multiple regression results to test the hypotheses of the study.

4.1 Response Rate

In this study, 200 questionnaires were distributed to public service employees in Penang. However, a total of 186 questionnaires were returned and only 171 can be used to do analysis. Table 4.1 indicates the response rate of this study.

Table 4.1

Response Rate Data

	Number of questionnaires	Percentage (%)
Distributed	200	100
Returned	186	93
Usable	171	85.5

4.2 Demographic Characteristics

The demographic profile of respondents consisted of information such as gender, status, age and length of service. It is considered important to get more detail information on the characteristics of the population in a survey (Wyse, 2012). Descriptive analysis statistics are referred to statistics which describes the demographic or phenomena of interest of the surrounding area (Loeb et al., 2017). Hence, from this analysis, the researchers enable to apprehend the differences among respondents, for instance, gender, race, religion, marital status, length of service and job grade in the organisation. Based on the table below, a total of 200 employees took part in answering the questionnaire for the study (refer table 4.1).

Table 4.2

Respondent of study classified based on gender.

Gender	Frequency (N)	Percentage (%)	Cumulative
Female	107	62.6	62.6
Male	64	37.4	100
Total	171	100	

Based on the data above, there are 171 respondents in this study which compromises of 107 or 62.2 % female and 64 or 37.4% male. Thus, the highest respondents in this study were from female respondents.

Table 4.3

Respondents based on the age group.

Age	Frequency (N)	Percentage (%)	Cumulative
21-30	34	19.9	19.9
31-40	74	43.3	63.2
41-50	36	21.1	84.3
51 and above	27	15.8	100
Total	171	100	

The employee age group was categorized accordingly to ensure perfect balance among the age group. Firstly, the majority age group respondents came from 31- 40 years old (74 respondent or 43.3%), followed by respondents from 41 to 50 years old (36 respondents or 21.1%), then, respondents from 21 to 30 years old (34 respondents or 19.9%) and lastly

respondents from 51 years old and above about 27 respondents or 15.8%. Hence, the highest age group employee is from age 31 to 40 years old.

Table 4.4

Respondents based on marital status

Marital status	Frequency (N)	Percentage (%)	Cumulative
Single	35	20.5	20.5
Married	132	77.2	97.7
Divorced	4	2.3	100
Total	171	100	

Meanwhile, the majority respondent marital status is married which compromises 132 respondents or 77.2%. Then, followed by single respondents about 35 respondents or 20.5% and divorced respondents about 4 or 2.3 %. Thus, majority of the respondents were married and the least number of respondents were divorced.

Table 4.5

Respondents based on race group

Race	Frequency (N)	Percentage (%)	Cumulative
Malay	160	93.6	93.6
Chinese	1	0.6	94.2
Indian	10	5.8	100
Others	0	0	
Total	171	100	

Other than that, the majority of respondents are Malay employees (160 respondents or 93.6%) followed by Indians (10 respondents or 5.8%) and Chinese only 1 participation or 0.6%. So, we can accumulate that, Malay respondents are the highest respondents in this study.

Table 4.6

Respondents based on length of employment

Length of employment	Frequency (N)	Percentage (%)	Cumulative
1-10 years	70	40.9	40.9
11-20 years	70	40.9	81.8
21-30 years	20	11.7	93.5
31-40 years	11	6.4	100
Total	171	100	

Other than that, the lengths of employment in the organisation were shown in Table 4.2. A large majority of the respondents that was 81.8% had served the agency between one and 20 years.

Table 4.7*Respondents based on job grade*

Job grade	Frequency (N)	Percentage (%)	Cumulative
Grade 54	2	1.2	1.2
Grade 52	1	0.6	1.8
Grade 48	5	2.9	4.7
Grade 44	7	4.1	8.8
Grade 42	1	0.6	9.4
Grade 41	46	26.9	36.3
Grade 33	5	2.9	39.2
Grade 32	1	0.6	39.8
Grade 31	14	8.2	48.0
Grade 22	3	1.8	49.8
Grade 21	71	41.5	91.3
Grade 2	4	2.3	93.6
Grade 1	11	6.4	100
Total	171	100	

The majority grade of public service employee in Penang is Grade 21 (71 respondents or 41.5%), followed by Grade 41 (46 respondents or 26.9%). Then, Grade 31 (14 respondents or 8.2%), followed by Grade 1 (11 respondents or 6.4%), Grade 33 and 44 (both have 5 respondents or 2.9%) and Grade 44 (7 respondents or 4.1%), Grade 2 (4 respondents or 2.3%), Grade 54 (2 respondent or 1.2%) and lastly Grade 52, 42, & 32 (each only one respondent or 0.6%). Refer to table 4.7.

4.3 Variable Statistics

This section of the finding explains the mean score with the standard deviation of variables used in this study based on five Likert scales. The variables include employee misconduct, job satisfaction and ethical work climate. Refer to Table 4.8 below:

Table 4.8

The mean and standard deviation of variables

Measurements	Mean	Standard Deviation
Employee Misconduct	1.5621	0.47428
Job Satisfaction	4.0175	0.53457
Ethical Work Climate	4.1455	0.60188

Above the results of the means and standard deviation of the dependent variables and independent variables are shown in Table 4.5. Thus, the dependent variable for this study is employee misconduct and the independent variables are job satisfaction and EWC. Meanwhile, the highest score of means from an ethical work climate at 4.145 and the lowest score goes to employee misconduct at 1.562.

4.3.1 Mean and Standard Deviation of Employee Misconduct

The mean and standard deviation of the dependent variable of employee misconduct were shown in Table 4.8 below. The most dominant factor in measuring the employee misconduct value was the item “Employee always griped with a co-worker”, which scores the mean value of 1.80. Meanwhile, the lowest mean value is 1.40 which represent the item of “Employee damaged property or assets of my employer”.

Table 4.9

The mean and standard deviation of employee misconduct

Items	Mean	Std. Deviation
Employee damaged property or assets of my employer	1.40	.590
Purposely said or did something to hurt someone at workplace.	1.58	.726
Did work badly.	1.51	.645
Purposely did work incorrectly and slowly in the workplace.	1.57	.642
Employee always griped with a co-worker.	1.80	.735
Employee deliberately bent or broke the law.	1.53	.645
Employee criticized people at work.	1.65	.699
Employee started an argument with someone at the workplace.	1.47	.645
Employee said rude things about my supervisor or organisation.	1.56	.661

4.3.2 Mean and Standard Deviation of Job Satisfaction

The mean and standard deviation of the independent variable of job satisfaction were shown in Table 4.7 below. The most dominant factor in measuring the job satisfaction value was the item “I had never thought to leave this organisation even though the situation in this organisation is unstable”, which scores the mean value of 4.18. Meanwhile, the lowest mean value is 3.78 which represent an item of “Most of the employees in this organisation are satisfied with the job at the moment”.

Table 4.10

The mean and standard deviation of job satisfaction

Items	Mean	Std. Deviation
Overall, I'm satisfied with my members in my workplace.	4.05	.746
Overall, I'm satisfied with my supervisor at the moment.	3.99	.755
Overall, I am satisfied with my current job.	4.05	.814
Overall, I am satisfied with my current organisation compared to other organisation.	4.04	.821
Basedd on my skills and level of education, I am satisfied with my pay and benefits from this organisation.	4.02	.801
Most of the employees in this organisation are satisfied with the job at the moment.	3.78	.917
I had never thought to leave this organisation even though the situation in this organisation is unstable.	4.18	.925

4.3.3 Mean and Standard Deviation of EWC

The mean and standard deviation of the independent variable of ethical work climate shown in Table 4.6 below. The most dominant factor in measuring the EWC value was the item “When someone criticizes my organisation, it feels like personal insults” which scores the mean value of 4.27. Meanwhile, the lowest mean value is 3.88 which represent an item of “I would be happy if I spend the rest of my life career in this organisation”.

Table 4.11

The mean and standard deviation of EWC

Items	Mean	Std. Deviation
Employees always get treated justly in the organisation.	4.12	.726
Employees in this organisation had involved in unethical acts.	4.15	.683
Employees who involve in unethical acts for personal gain are punished.	4.23	.714
Employee is encouraged mostly to ‘up-sell’ the customers.	4.20	.809
Within six months of period, intended to search for another job.	4.13	.858
I would be happy if I spend the rest of my life career in this organisation.	3.88	.813
I believe that my manager has high integrity.	4.19	.894
When someone criticizes my organisation, it feels like personal insults.	4.27	.790

4.4 Reliability Test

Reliability analysis in research is an important test to determine the continuity of the research, the main purpose is to ensure that the research is conducted without any unfairness element and achieve the consistency of variables (Sekaran, 2013). Thus, the closer and better reliability coefficient when it reached 1 and values closer to 0.80, the consistency is considered reliable. Table 4.3 shows the actual value of Cronbach's Alpha with the internal consistency should have in a study.

Table 4.12

Internal Consistency Measurement

Cronbach Alpha	Internal Consistency
$\alpha = 0.9$	Excellent
$\alpha = 0.8 < 0.9$	Good
$\alpha = 0.7 < 0.8$	Acceptable
$\alpha = 0.6 < 0.7$	Questionable
$\alpha = 0.5 < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

Source: Sekaran (2013)

Table 4.13*Reliability Test Results*

Measurements	Number of Items	Cronbach Alpha (α)
Employee Misconduct	9	0.878
Job Satisfaction	7	0.767
Ethical Work Climate	8	0.897

Based on the results shown above in Table 4.13, the total numbers of the items measured were 24. Thus, each variable was measured with several numbers of items to reach the consistencies of the variables. The results indicate that Ethical Work Climate (EWC) achieved the highest number of Cronbach's Alpha value at 0.897, followed by employee misconduct ($\alpha = 0.878$ and the least score of Cronbach's Alpha from job satisfaction ($\alpha = 0.767$). Table 4.13 will show the results of the reliability test of each variable. However, it was asserted by researchers that reliability of 0.60 is classified as average reliability and 0.80 is classified as high reliability. From the table above, the result implies that all measures reached the high reliability ranged from 0.87 to 0.89. Experts in research recommended that reliability of 0.60 is common while 0.80 is excessive reliability (Nunnally, 1978; Sekaran & Bougie, 2010).

4.5 Correlation Analysis

The Pearson correlation analysis is conducted to measure the association between two variables. Moreover, correlation coefficient could be explained whether the variables positively or negatively associated (Sekaran, 2013). Thus, the correlation study is a statistical technique to explore the relationships between the independent and dependent variables. In this study, the dependent variable is Employee Misconduct and the independent variables are the Job satisfaction and Ethical Work Climate. Pearson correlation is used in this analysis to determine the relationship and strength of the variables (Pallant, 2013). The ideal value for the Pearson correlation coefficient is ranging from -1 to +1 (Pallant, 2013).

Table 4.14

Correlation between Job Satisfaction and Employee Misconduct

		Job satisfaction
Employee Misconduct	Pearson Correlation (r)	.300**
	Sig. (2-tailed)	.000
	N	171

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4.15*Correlation between EWC and Employee Misconduct*

		EWC
Employee Misconduct	Pearson Correlation (r)	.304**
	Sig. (2-tailed)	.000
	N	171

** . Correlation is significant at the 0.01 level (2-tailed).

4.6 Multiple Linear Regression

This analysis explains the regression aspect of the study and it determines whether the variables possess a positive or negative relationship and test the hypothesis.

Table 4.16*Summary of model*

	R	R Square	Adjusted R Square	Std. Error of the Estimate	F
1	.337 ^a	0.113	0.103	0.44920	10.754

Predictors: (Constant), job satisfaction and ethical work climate

Table 4.16 above shows the independent variables that are job satisfaction and ethical work climate explain 11.3% of the dependent variable that is employee misconduct.

Table 4.17*Results of multiple regression*

		Coefficients				
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	2.843	.280		10.161	.000
	JS	-.161	.081	-.182	-1.987	.049
	EWC	-.153	.072	-.194	-2.114	.036

a. Dependent Variable: Employee Misconduct

Table 4.17 illustrates the multiple regression results and presents the association of job satisfaction and ethical work climate. As shown in table 4.17, the two variables studied in this research: Job satisfaction ($\beta = -0.161$, $t = -1.987$, $\text{sig} = 0.049$), and Ethical work climate ($\beta = -0.153$, $t = -2.114$, $\text{sig} = 0.036$) were found to be significant in influencing employee misconduct.

Table 4.18*Summary of hypotheses*

Hypothesis	Analysis	Results	Supported/ Not Supported
Hypothesis 1			
There is a relationship between job satisfaction and employee misconduct among public service employees in Penang.	Multiple Regression analysis	P<0.05 (Significant)	Supported
Hypothesis 2			
There is a relationship between EWC and employee misconduct among public service employees in Penang.	Multiple Regression analysis	P<0.05 (Significant)	Supported

Hypothesis 1: There is a relationship between job satisfaction and employee misconduct.

The result obtained from regression analysis presented in Table 4.17 showed that the results from table 4.18 indicating that there is a significant influence between job satisfaction and employee misconduct. Hence, the result supported hypothesis 1 as postulated in this study.

Hypothesis 2: There is a relationship between the ethical work climate and employee misconduct.

The result obtained from regression analysis presented in Table 4.17 showed that the results from table 4.18 indicating that there is a significant influence between ethical work climate and employee misconduct. Hence, the result supported hypothesis 2 as postulated in this study.

4.7 Summary

In this chapter, the collected data had been analysed and presented as the results. This chapter also reports the findings of the data analysis. The analyses were carried out using SPSS to describe the profile of the respondents and test the hypotheses. The main data analysis tools were Reliability test, Mean and Standard deviation, Correlation analysis and regression analysis. Then, the chapter ended with a summary to conclude whether the hypothesis is supported or not supported. The following chapter will recap the findings, discusses the implications, limitations, and suggestions for future research and conclusion.

CHAPTER 5

DISCUSSION AND CONCLUSION

5.0 Introduction

The final chapter of the thesis discusses the research findings, discussion and conclusion of the study. This chapter also includes the discussion on the implication of the study, recommendations, limitations and suggestions for future research.

5.1 Discussion of Findings

The study focuses on the findings on the influence of job satisfaction and ethical work climate towards employee misconduct among public service employee in Penang. So, the in-depth details will be discussed on the factors that could contribute or triggered employee misconduct among public service employee in Penang. The discussion consists of the relationship and influence between employee misconduct, job satisfaction and ethical work climate. Moreover, they were several ideas on the action that could implement in order to curb such unlikely incidents could take place in the public service agencies.

5.2 Discussion of results

Three hypotheses were developed for this research whereby job satisfaction and ethical work climate comprised of the independent variables while employee misconduct is the dependent variable. This part of the chapter discusses in detail the findings of each hypothesis of this study.

5.2.1 The level of Employee misconduct among Public service employee in Penang

First and foremost, the objective was to determine the level of employee misconduct among employees in the public service agency (Penang). Thus, the mean score for employee misconduct was 1.56. Hence, it can be concluded that the level of employee misconduct was very low according to table 4.10 proposed by Moidunny (2009). So, the score shows that there are employees in LHDNM (CBM) involve in employee misconduct but in the least amount of cases associated with job satisfaction and EWC.

Table 5.1

Mean of Employee Misconduct.

Mean	Std. Deviation
1.5621	0.47428

Table 5.2

Measurement of level

Mean score	Interpretation
1.00-1.80	Very Low
1.81-2.60	Low
2.61-3.20	Medium
3.21-4.20	High
4.21-5.00	Very High

Source: Moidunny (2009)

Employee misconduct is pervasive and could bring harmful implications towards individual, organisation and service delivery as well. In reality, Malaysian Public service organisation generally had improved in many respective areas as innovations, creativity and transformations which take place within policies and organisational structure. However, there are still several negative behaviours remain and create hardships for Public services to improve their delivery services (Siddiquee, 2006).

Thus, this study emphasizes on the factors that commonly known which is job satisfaction and EWC that could eventually influence employees especially lower income groups or support personnel. Hence, the results indicate the logic results as the study was only conducted in a particular agency. This public service agency only focuses to provide service delivery and the research also focused on a particular branch in Penang. As the

dependent variable indicates negative behaviour, it is not to be surprised to receive such a low indication of employee misconduct among public service employee in Penang.

Based on the results of table 4.7 summary of demographic backgrounds of respondents, clearly indicated that most numbers of respondent's grade background were support personnel. Approximately 50.2% are non-executives or support personnel which includes contract workers. Thus, the most prone area or exposed to misconduct were among support personnel in public service agency. Support personnel in government agencies play an important role in providing frontline services to the public. However, they are prone to deviant act and had been reported to be in the highest possibilities to be involved in misconduct compared in other activities.

5.2.2 Job Satisfaction and Employee Misconduct

H1: There is a relationship between job satisfaction and employee misconduct among public service employee in Penang.

Job satisfaction is generally conceptualized as the employee's reflection as an attitude which employee has towards their overall jobs and towards other aspects of the jobs (Spector, 2007). Moreover, job satisfaction was closely attached to employee misconduct as job satisfaction results from the employee's perceptions of their job. The perception involves the thought process was triggered whether employees was a good fit between the

employee and the organisation. According to Wright and Davis (2003) suggested that public service organisation should clarify the work climate and job characteristics which will influence employee misconduct. In the present study, the multiple regression analysis indicates that there was a significant association between job satisfaction and employee misconduct with a sig. value of 0.000 ($p < 0.01$, Sig 2-tailed). Furthermore, the correlation value for job satisfaction $r = 0.300$ which indicated that it was medially correlated towards employee misconduct.

Therefore, this study found that job satisfaction has a relationship towards employee misconduct among public service employee in Penang. The findings were consistent with previous studies that job satisfaction among public servant could relatively lead them to end up involved in the deviant act (Alias et. al, 2013, Karabay & Akbas, 2016, Vitell, 1990). In addition, employees who are involved in misconduct mostly from support personnel group which also represent contract workers. Hence, there are possibilities that this group of people had experienced job stress and lack of empowerment to voice out the problems could relatively lead them to involve in deviant acts. So, job satisfaction could possibly contribute employees in Public service involved in employee misconduct.

On the other hand, job satisfaction is an important element as it reflected an attitude that an employee has towards their job (Spector, 2007). Thus, job satisfaction of employees represents their perception towards the job and the level of a good fit between employee and organisation. Thus, employees who are involved in the taxation field has a bunch of

job stress especially those who are in the Audit and Collection department. They are directly engaged with the taxpayer to ensure voluntary tax compliance and to ensure the best service delivery had been given to the taxpayers. For that, employees will go through a certain level overload commitment as they may need to achieve the target collection amount. So, proper appraisals and rewards should be equal with the job or task that had been carried out and equal opportunity been given to support personnel as well. However, support personnel who are under contract basis should be given the opportunity to prove themselves and to create a proper career path within the organisation in order to avoid employee locked as the contract continues for several years with fewer opportunities even with enough qualifications.



5.2.3 Ethical Work Climate and Employee Misconduct

H2: There is a relationship between EWC and employee misconduct among public service employee in Penang.

Ethical work climate plays an important role in setting up core values in an organisation overall. It will represent the working environment and the situation in an organisation that determines the motivational level of employees in public service in Penang. Moreover, a combination of ethics plays an important role in an organisation to counter negative behaviour among employees and boost up attention towards organisational goals (Foote & Ruona, 2008). In the present study, the multiple regression analysis indicates that there was

a significant influence between ethical work climate and employee misconduct with a sig. value of 0.000 ($p < 0.01$, Sig 2-tailed). Furthermore, the correlation value for job satisfaction $r = 0.304$ which indicated that it was medially correlated towards employee misconduct. In addition, EWC was strongly correlated with job satisfaction where the correlation value is $r = 0.609$ and significant at the 0.01 level.

Therefore, this study found that EWC has relationship towards employee misconduct among public service employee in Penang. These findings were consistent with previous research when numerous researches have reported EWC was related to employee ethical or employee misconduct (Cullen et al., 1987; Victor and Cullen, 1988; Alias et. al, 2013). Moreover, among public service employee in Penang who are possibly involved in misconduct mostly from support personnel group which also represents the contract workers. Therefore, the possibilities that this group of people had experienced job stress and lack of empowerment to voice out the problems could relatively in the situation to involve in deviant acts. Hence, there are high possibilities these employees could indirectly have an impact that leads them to perform misconduct in the workplace.

Other than that, a proper career path should be considered important aspects in determining positive work climate among public service employee in Penang. Generally, employees under contract basis mostly affected in terms of the salary, benefits and job knowledge. They have recruited with a daily salary basis and some allowances which considered not relevant nowadays economic situation. At the same time, they were not encouraged to

attend any courses and all the knowledge required through on the job training with the supervisor. Moreover, the most devastating elements when they were not promoted or given the opportunity as permanent staff and most of the employees already serving as contract basis employees for almost 10 years in maximum. Hence, this may contribute to an unhappy ethical work climate among these employees and might lead to deviant act in an organisation.

5.3 Implications of the study

From this study, the research implications can be categorized into two parts which include practical and theoretical implication. The practical implication implies how the research can help improve and solve the specific issue which is related to the administration of the public service delivery. The theoretical implication focuses on the importance and contribution of the study towards an existing body of knowledge so as to widen the theoretical understanding of the subject matters.

5.3.1 Practical Implications

This research will give an opportunity to the management of public service employee as well as the headquarters to recognize and allow them to know the relationship of job satisfaction, EWC and employee misconduct among the employees. Based on the results generated there is a medium impact among public service employee in Penang towards

employee misconduct. Thus, the management will absolutely be able to improve from time to time to ensure employee misconduct can be contained as the action contributes to the overall success of an organisation.

In contrast, this study exposed that it is vital for the management to notice these issues in an early stage to prevent misconduct cases become uncontrollable and lead to tarnishing the image of public service as a whole. Moreover, employee misconduct could lead to poor job performance, low motivation, disciplinary problem, lack of attention on the task given, poor engagement with others, depressions and even burnout. All these implications will not only affect the particular branch and also will tarnish the overall image of public service in Malaysia.

Another aspect that should be looked at is the sufficient support given to personnel both permanent and contract. Job satisfaction among this group of employees was very crucial as they play a vital role in engaging with the taxpayers to promote effective service delivery among citizens and non-citizen as well. Thus, being a public servant is not an easy task as an employee must be very carefully handled taxpayer money. Fundamentally taxpayers are stakeholders who made contributions and these funds will be channelled to proper hand to provide people in the nation various accommodation, facilities and services. Hence, job satisfaction is a crucial element in order for employees to keep them motivated towards their task.

5.3.3 Theoretical Implication

Furthermore, this study generally contributed to expand the existing information particularly when it is related to employee misconduct in the workplace. Therefore, these findings could be beneficial as a future reference for the topic involving employee misconduct or employee deviant behaviour and could be helpful for strengthening the validity of the literature.

5.4 Limitations of the Study

There were several limitations during the period of conducting this study. This situation happened far outside from our ability to control the external factor during conducting this study. So, there some limitations and suggestions will list which will be a guideline for future research in the area concerned and will be supportive for arising of future research for coming generations.

Firstly, the main concern was to generalize the data collection into a wider population and sample. In this study, the data collection was collected solely among public service employee in Penang, so this data limiting the researcher in generalizing the results of the study. Thus, for future study, the researcher highly recommends to collect data from all

Public service departments in Penang and even within the northern region of which covers Perlis, Kedah, Perak and Penang so that the data could be more valid and reliable.

Other than that, the data collection was also collected solely in particular public service agency alone without interfering of other public agencies. Thus, there are higher possibilities of bias and inaccuracy when it comes to the interpretation of results. Hence, future researchers are suggested to collect data in various government agencies to reduce any potential biases. So, the level of employee misconduct might be varied between different government agencies as the different departments have different roles and policies.

Thirdly, the limitation also involves using the statistical analysis package to analyse the results. In this particular research, SPSS has been used to analyse all of the collected data. Thus, future research should consider using the partial least squares path modelling (PLS-PM) to analyse the cause and effect of the relationship between variables. Meanwhile, SPSS also has limitations to analyse huge data sets and there too many updated versions of SPSS applications which make it more complicated and the tendency to learn every version is high.

In addition, in this study there are only three variables consist of job satisfaction, ethical work climate and employee misconduct had been utilized throughout the research. However, the findings show that there is a high significant between variables but medium

impact towards public service employee in Penang. Thus, the researcher suggested exploring other variables that could contribute to clarify the employee misconduct such as compensation and benefits, human resource development, promotions and staffing models.

In nutshell, even though there are several limitations in the present study, but this study does provide insights on jobs satisfaction and ethical work climate (independent variables) and employee misconduct (dependent variable). Furthermore, it was a great opportunity to participate and collaborate with the organisation to provide adequate resources or benefits that could provide information and the need for management to address these deviant acts. Hence, with this information, the management could enforce the existing policies more seriously to promote excellent service delivery to the taxpayers.

5.5 Recommendations for Future Research

According to this research, this study indicates that there was a relationship between job satisfaction and ethical work climate and employee misconduct, so, a few recommendation and suggestions will be exposed in order to accommodate public service agencies to minimize or rid of from employee misconduct in organisations. Hence, public service management should ensure the policies being enforced and targeted group such as support personnel given special attention. The human resource department also should provide a professional team to handle and to address employee such as counsellor or team to analyse

the causes of misconduct. Hence, the management could avoid support personnel from involving in employee misconduct or deviant act.

Based on the research journey of this study, this research had encountered several aspects that needed to be executed in order to make even more reliable. Firstly, the population and sample size was preferable to be in a large amount in order to produce adequate findings from the study. Thus, data collection should be extended for a longer period of duration to ensure more participation from various governmental agencies. Hence, the data collection able to produce findings that are reliable and provide enough information to improve service delivery among public servants.

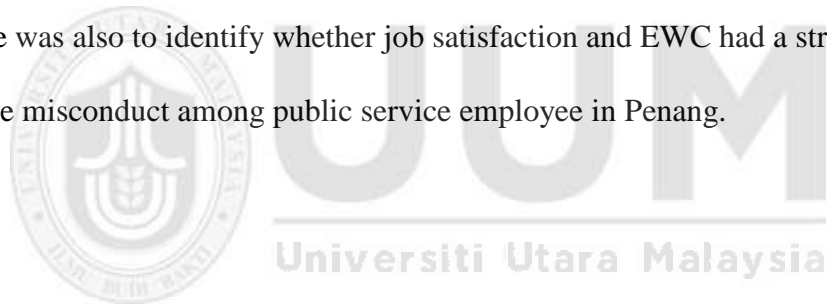
Other than that, this study was chosen to be a cross-sectional study because the time period required for this research is short. Therefore, for future study, it would be recommended to carry out or consider the longitudinal study. The longitudinal study is more preferable methods when it could able to detect every change on the characteristic of the targeted population. Moreover, the output from the longitudinal study was more reliable and will able to accumulate more information on the research.

The association between numerous factors and employee behaviour is highly contextual and multi-level in nature. Hence, researchers should carefully consider the relevant boundary conditions when studying this vital relationship. Further research is needed to provide an additional insight into the issue of misconduct among public service employees.

Future studies could introduce moderating and mediating factors that might strengthen the relationship between the factors and employee misconduct in the workplace.

5.6 Conclusions

This study was an attempt to examine and provide information on whether job satisfaction and EWC could influence employee misconduct among public service employee in Penang. The main objective was mainly to examine on the level of employee misconduct among employees and the relationships with other independent variables. Moreover, the objective was also to identify whether job satisfaction and EWC had a strong influence on employee misconduct among public service employee in Penang.



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APPENDIX A- Questionnaires



Dear Respondent,

**RESEARCH ON JOB SATISFACTION, ETHICAL WORK CLIMATE AND
EMPLOYEE MISCONDUCT: A STUDY AMONG PUBLIC SERVANTS IN
PENANG.**

Thank you for participating in this research.

The following survey is being conducted for a partial fulfillment of my Master of Human Resource Management program at University Utara Malaysia. This research paper is to study how **job satisfaction and ethical work climate influence employee misconduct among public service employees in Penang.**

Your help in completing and returning this questionnaire is most appreciated. Completing the questionnaire would take about **10 minutes** of your time. All responses to this questionnaire will be kept confidential. Results will be used only for academic purposes with no specific individuals identified.

Thank you very much for your time and assistance.

Yours sincerely,

vi Jay

.....
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Phone: 014-3421621

SECTION A: DEMOGRAPHIC PROFILE OF RESPONDENT

Bahagian A: Latar Belakang Demografi Responden

(This section intends to get information the respondents' demographic background)

Please fill the empty space and mark ✓ in the appropriate box.

(Bahagian ini adalah untuk mendapatkan maklumat mengenai latar belakang responden)

Sila tandakan ✓ dalam pemilihan yang sesuai.

1. Gender/ *Jantina*

☐ Male ☐ Female

2. Age/ *Umur*

☐ 21-30 ☐ 31-40
☐ 41-50 ☐ 51 & above

3. Marital status/ *Status Perkahwinan*

☐ Single ☐ Divorced
☐ Married

4. Race/ *Bangsa*

☐ Malay ☐ Indian
☐ Chinese ☐ others (please state):

5. Religion/ *Agama*

☐ Islam ☐ Christian ☐ Buddha ☐ Hindu
☐ Others (Please state):

6. Length of employment/ *Tempoh Perkhidmatan*

☐ 1-10 years ☐ 11-20 years
☐ 21-30 years ☐ 31-40 years

7. Job grade in organization/ *Gred kerja dalam organisasi*

Please state:

.....

SECTION B:

BAHAGIAN B:

Please review each of the statement below and circle the item that best represent you.

Mohon tafsir setiap pernyataan dibawah dan bulatkan jawapan yang mewakili anda.

Strongly disagree <i>Sangat tidak setuju</i>	Disagree <i>Tidak setuju</i>	Slightly agree <i>Sedikit setuju</i>	Agree <i>Setuju</i>	Strongly agree <i>Sangat setuju</i>
1	2	3	4	5

BIL	KENYATAAN	SKALA				
SALAH LAKU PEKERJA/ <i>EMPLOYEE MISCONDUCT</i>						
1	Staff merosakkan harta benda atau aset majikan <i>Employee damaged property or assets of my employer</i>	1	2	3	4	5
2	Sengaja mengata atau membuat sesuatu yang menyakitkan hati pekerja lain. <i>Purposely said or did something to hurt someone at workplace.</i>	1	2	3	4	5
3	Membuat sesuatu tugas dengan tidak baik, <i>Did work badly.</i>	1	2	3	4	5
4	Sengaja membuat sesuatu tugas dengan tidak betul dan perlahan. <i>Purposely did work incorrectly and slowly in workplace.</i>	1	2	3	4	5
5	Pekerja hanya rapat dengan rakan sekerja <i>Employee always griped with co-worker.</i>	1	2	3	4	5
6	Pekerja dengan sengaja melanggar peraturan <i>Employee deliberately bent or broke the law.</i>	1	2	3	4	5
7	Pekerja mengutuk orang lain di tempat kerja	1	2	3	4	5

	<i>Employee criticized people at work.</i>					
8	Pekerja memulakan pertelingkahan dengan orang lain di tempat kerja. <i>Employee started an argument with someone at workplace.</i>	1	2	3	4	5
10	Perkerja mengatakan perkara yang biadap terhadap penyelia atau organisasi. <i>Employee said rude things about my supervisor or organization.</i>	1	2	3	4	5

BIL	KENYATAAN	SKALA				
KEPUASAN KERJA/ JOB SATISFACTION						
1	Secara keseluruhanya saya puas hati dengan rakan sekerja ditempat kerja. <i>Overall, I'm satisfied with my members in my workplace.</i>	1	2	3	4	5
2	Secara keseluranya, saya berpuas hati dengan penyelia saya pada ketika ini. <i>Overall, I'm satisfied with my supervisor at the moment.</i>	1	2	3	4	5
3	Secara keseluruhanya, saya puas hati dengan kerja saya sekarang. <i>Overall, I am satisfied with my current job.</i>	1	2	3	4	5
4	Secara keseluruhanya, saya berpuas hati dengan majikan saya berbanding dengan majikan lain. <i>Overall, I am satisfied with my current organization compared to other organization.</i>	1	2	3	4	5
5	Berdasarkan kemahiran dan tahap Pendidikan saya, saya berpuas hati dengan ganjaran dan faedah yang diterima daripada organisasi.	1	2	3	4	5

	<i>Based on my skills and level of education, I am satisfied with my pay and benefits from this organization.</i>					
6	Kebanyakan pekerja dalam organisasi ini berpuashati dengan kerja mereka pada ketika ini. <i>Most of the employees in this organization are satisfied with the job at the moment.</i>	1	2	3	4	5
7	Saya tidak berfikir untuk meninggalkan organisasi ini sekarang walaupun keadaan organisasi tidak stabil. <i>I had never thought to leave this organization even though the situation in this organization is unstable.</i>	1	2	3	4	5

BIL	KENYATAAN	SKALA				
SUASANA ETIKA KERJA/ <i>ETICAL WORK CLIMATE</i>						
1	Pekerja sentiasa dilayan dengan adil di dalam organisasi <i>Employees always get treated justly in the organization.</i>	1	2	3	4	5
2	Pekerja di sini pernah terlibat dalam salah laku. <i>Employees in this organization had involved in unethical acts.</i>	1	2	3	4	5
3	Pekerja yang terlibat dalam tindakan tidak beretika untuk kepentingan diri menerima hukuman yang setimpal. <i>Employees who involve in unethical acts for personal gain are punished.</i>	1	2	3	4	5
4	Pekerja di sini sangat digalakkan untuk menjaga kepentingan pelanggan. <i>Employee are encouraged mostly to 'up-sell' the customers.</i>	1	2	3	4	5

5	Dalam masa enam bulan, saya ada keinginan untuk mencari pekerjaan yang lain. <i>Within six months of period, intended to search for another job.</i>	1	2	3	4	5
6	Saya akan berasa gembira untuk menghabiskan sepanjang hidup saya untuk bekerja di organisasi ini. <i>I would be happy if I spend the rest of my life career in this organization.</i>	1	2	3	4	5
7	Saya percaya bahawa pengurus saya mempunyai integrity yang tinggi. <i>I believe that my manager has high integrity.</i>	1	2	3	4	5
8	Apabila pihak ketiga mengkritik organisasi saya, ianya seperti penghinaan terhadap diri saya. <i>When someone criticizes my organization, it feels like personal insults.</i>	1	2	3	4	5

~Thank you for your kind cooperation and valuable time~

APPENDIX B- Respondents Profile

Items	Frequency	Percentage (%)
Gender		
Male	64	37.4
Female	107	62.6
Age		
21-30	34	19.9
31-40	74	43.3
41-50	36	21.1
51 and above	27	15.8
Marital Status		
Single	35	20.5
Married	132	77.2
Divorced	4	2.3
Race		
Malay	160	93.6
Chinese	1	0.6
Indian	10	5.8
Others	0	0
Religion		
Islam	159	93.0
Christian	1	0.6
Buddha	2	1.2
Hindu	9	5.3
Others		
Length of Employment		
1-10 years	70	40.9
11-20 years	70	40.9
21-30 years	20	11.7
31-40 years	11	6.4
Job Grade		
Grade 54	2	1.2
Grade 52	1	0.6
Grade 48	5	2.9
Grade 44	7	4.1
Grade 42	1	0.6
Grade 41	46	26.9
Grade 33	5	2.9
Grade 32	1	0.6
Grade 31	14	8.2

Grade 22	3	1.8
Grade 21	71	41.5
Grade 2	4	2.3
Grade 1	11	6.4



APPENDIX C- Test of Normality

Employee Misconduct

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
SLP	171	100.0%	0	0.0%	171	100.0%

Descriptives				
			Statistic	Std. Error
SLP	Mean		1.5621	.03627
	95% Confidence Interval for Mean		Lower Bound	1.4905
			Upper Bound	1.6336
	5% Trimmed Mean		1.5389	
	Median		1.5556	
	Variance		.225	
	Std. Deviation		.47428	
	Minimum		1.00	
	Maximum		2.89	
	Range		1.89	
	Interquartile Range		.89	
	Skewness		.407	.186
	Kurtosis		-.842	.369

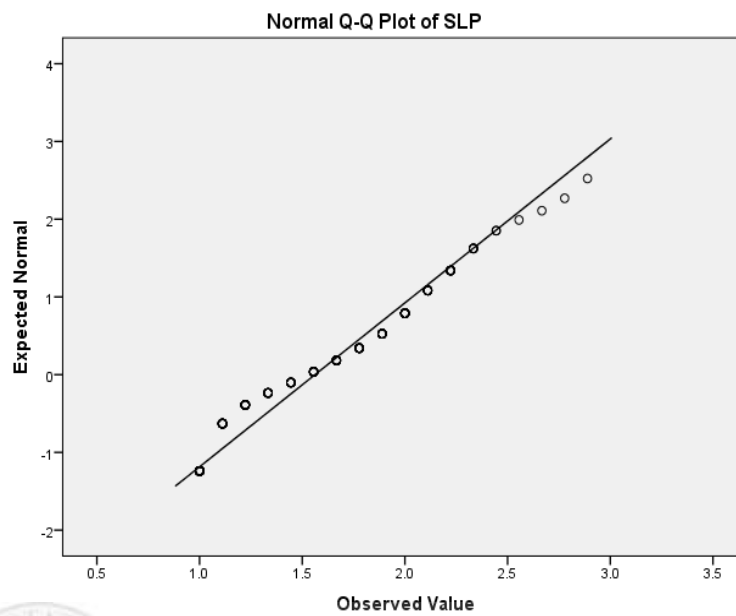
M-Estimators				
	Huber's M-Estimator ^a	Tukey's Biweight ^b	Hampel's M-Estimator ^c	Andrews' Wave ^d
SLP	1.5343	1.5402	1.5502	1.5403
a. The weighting constant is 1.339.				
b. The weighting constant is 4.685.				
c. The weighting constants are 1.700, 3.400, and 8.500				
d. The weighting constant is $1.340 \cdot \pi$.				

Extreme Values				
			Case Number	Value
SLP	Highest	1	102	2.89
		2	67	2.78
		3	4	2.67
		4	36	2.56
		5	32	2.44 ^a
	Lowest	1	169	1.00
		2	163	1.00
		3	159	1.00
		4	157	1.00
		5	156	1.00 ^b

a. Only a partial list of cases with the value 2.44 are shown in the table of upper extremes.

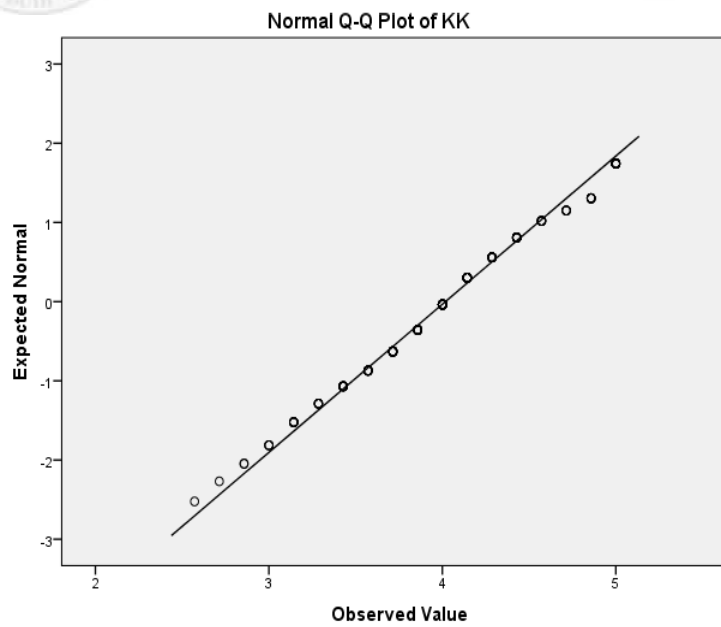
b. Only a partial list of cases with the value 1.00 are shown in the table of lower extremes.

Employee Misconduct

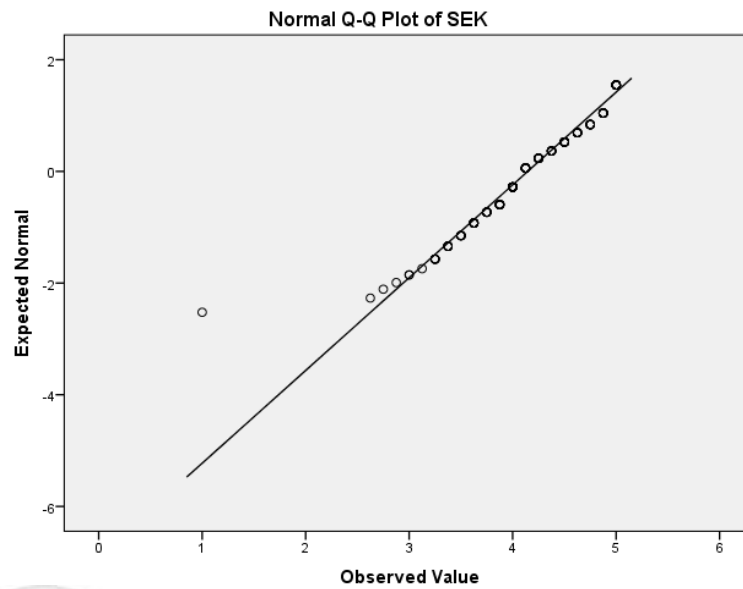


Job satisfaction

Universiti Utara Malaysia



Ethical Work Climate



APPENDIX D- Results of Descriptive Statistics

a) Cronbach Alpha Values for All Measurements

Measurements	Number of Items	Cronbach Alpha (α)
Employee Misconduct	9	0.878
Job Satisfaction	7	0.767
Ethical Work Climate	8	0.897

b) Mean and Standard Deviation for Each Measurements

Measurements	Mean	Standard Deviation
Employee Misconduct	1.5621	0.47428
Job Satisfaction	4.0175	0.53457
Ethical Work Climate	4.1455	0.60188

c) Descriptive statistic of Employee Misconduct

Item Statistics			
	Mean	Std. Deviation	N
Employee damaged property or assets of my employer	1.40	.590	171
Purposely said or did something to hurt someone at workplace.	1.58	.726	171
Did work badly.	1.51	.645	171
Purposely did work incorrectly and slowly in workplace.	1.57	.642	171
Employee always griped with co-worker.	1.80	.735	171
Employee deliberately bent or broke the law.	1.53	.645	171
Employee criticized people at work.	1.65	.699	171
Employee started an argument with someone at workplace.	1.47	.645	171
Employee said rude things about my supervisor or organization.	1.56	.661	171

d) Descriptive statistics of Job Satisfaction

Item Statistics			
	Mean	Std. Deviation	N
Overall, I'm satisfied with my members in my workplace.	4.05	.746	171
Overall, I'm satisfied with my supervisor at the moment.	3.99	.755	171
Overall, I am satisfied with my current job.	4.05	.814	171
Overall, I am satisfied with my current organization compared to other organization.	4.04	.821	171
Based on my skills and level of education, I am satisfied with my pay and benefits from this organization.	4.02	.801	171
Most of the employees in this organization are satisfied with the job at the moment.	3.78	.917	171
I had never thought to leave this organization even though the situation in this organization is unstable.	4.18	.925	171

e) Descriptive statistics of Ethical Work Climate

Item Statistics			
	Mean	Std. Deviation	N
Employees always get treated justly in the organization.	4.12	.726	171
Employees in this organization had involved in unethical acts.	4.15	.683	171
Employees who involve in unethical acts for personal gain are punished.	4.23	.714	171
Employee are encouraged mostly to 'up-sell' the customers.	4.20	.809	171
Within six months of period, intended to search for another job.	4.13	.858	171
I would be happy if I spend the rest of my life career in this organization.	3.88	.813	171
I believe that my manager has high integrity.	4.19	.894	171
When someone criticizes my organization, it feels like personal insults.	4.27	.790	171

APPENDIX E- Results of Reliability Test

Reliability Test Results

Measurements	Number of Items	Cronbach Alpha (<i>a</i>)
Employee Misconduct	9	0.878
Job Satisfaction	7	0.767
Ethical Work Climate	8	0.897

APPENDIX F- Results of Pearson Correlation Analysis

Correlation Coefficient (Davis, 1971)

Correlation Coefficient Strength of Linear Relationship
0.70 and above = Very Strong
0.50 – 0.69 = Strong
0.30 – 0.49 = Medium
0.10 – 0.29 = Weak
0.01 – 0.09 = Not Exist

Measurements	Employee Misconduct	Job Satisfaction	Ethical Work Climate
Employee Misconduct	1		
Job Satisfaction	-.300**	1	
Ethical Work Climate	-.304**	.609**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations				
		SLP	KK	SEK
SL P	Pearson Correlation	1	-.300**	-.304**
	Sig. (2-tailed)		.000	.000
	N	171	171	171
KK	Pearson Correlation	-.300**	1	.609**
	Sig. (2-tailed)	.000		.000
	N	171	171	171
SE K	Pearson Correlation	-.304**	.609**	1
	Sig. (2-tailed)	.000	.000	
	N	171	171	171
**. Correlation is significant at the 0.01 level (2-tailed).				



APPENDIX G- Multiple regression

Measurements	t-value	Sig (p-value)
Job Satisfaction	-1.98	0.04*
Ethical Work Climate	-2.11	0.03*

* Significance level; $p < 0.05$

Dependent Variable: employee misconduct (N= 171)

Model Summary ^b										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.337 ^a	.113	.103	.44920	.113	10.754	2	168	.000	1.783
a. Predictors: (Constant), SEK, KK										
b. Dependent Variable: SLP										

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.340	2	2.170	10.754	.000 ^b
	Residual	33.900	168	.202		
	Total	38.240	170			
a. Dependent Variable: SLP						
b. Predictors: (Constant), SEK, KK						

Coefficients ^a											
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	2.843	.280		10.161	.000					
	KK	-.161	.081	-.182	-1.987	.049	-.300	-.151	-.144	.629	1.590
	SEK	-.153	.072	-.194	-2.114	.036	-.304	-.161	-.154	.629	1.590
a. Dependent Variable: SLP											

APPENDIX H- Data Collection Approval Letter



Vijaya Baskaran A/L Visvanathan
Pembantu Tadbir (Percukaian & Operasi) NE4 Kontrak
Unit Pungutan (Tunggakkan Hasil Individu)

Tuan Pengarah,
Lembaga Hasil Dalam Negeri Malaysia
Cawangan Bukit Mertajam.

28 Februari 2019

Tuan,

Dibawakan
Tempahan
MOHAMAD ZIN BIN YACOB
Pengarah Cawangan
Lembaga Hasil Dalam Negeri Malaysia
Cawangan Bukit Mertajam
28/2/19

**PERMOHONAN KEBENARAN UNTUK MENDAPATKAN DATA KAJI SELIDIK
DARIPADA PEGAWAI LHNDM CAWANGAN BUKIT MERTAJAM**

Merujuk kepada perkara diatas, saya Vijaya Baskaran A/L Visvanathan (Pembantu Tadbir Percukai & Operasi NE4) Kontrak daripada Unit Pungutan (Tunggakan Hasil Individu) memohon kebenaran tuan untuk mendapatkan data kaji selidik untuk tujuan penulisan Thesis Ilmiah.

2. Kaji selidik ini merupakan sebahagian daripada keperluan untuk melengkapkan pengajian saya dalam bidang Ijazah Sarjana Pengurusan Sumber Manusia. Malah, tujuan data yang dikumpulkan untuk mengkaji kaitan di antara kepuasan bekerja, suasana etika kerja dan salah laku pekerja.

3. Oleh itu, proses pengumpulan data akan dijalankan ke atas seramai 200 orang responden dan sebarang maklumat yang di perolehi hanya akan digunakan untuk tujuan penulisan ilmiah akademik sahaja.

4. Saya berharap agar permohonan ini dapat pertimbangan dan kelulusan tuan. Kerjasama dan kebenaran pihak tuan amatlah di hargai dan didahului dengan ucapan terima kasih.

Sekian, Terima Kasih.


[VIJAYA BASKARAN A/L VISVANATHAN]

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